

ORDINANCE NO. 06- 20

AN ORDINANCE TO BE KNOWN AS THE LEON COUNTY INDIGENT HEALTH CARE ORDINANCE; AUTHORIZING THE LEVY AND IMPOSITION OF A VOTER APPROVED DISCRETIONARY SURTAX OF ONE-HALF CENT FOR INDIGENT HEALTH CARE ON TRANSACTIONS DURING THE PERIOD FROM JANUARY 1, 2007 to DECEMBER 31, 2021; PROVIDING FOR LIMITATIONS, ADMINISTRATION AND COLLECTION; PROVIDING A PLAN FOR PROVIDING HEALTH CARE SERVICES; PROVIDING FOR AN INDIGENT HEALTH CARE TRUST FUND; PROVIDING FOR USE OF PROCEEDS; PROVIDING FOR REQUIREMENT OF REFERENDUM; PROVIDING FOR RESOLUTION OF CONFLICT OF LAWS; PROVIDING FOR SEVERABILITY AND APPLICABILITY; PROVIDING FOR AN EFFECTIVE DATE OF ORDINANCE; PROVIDING FOR REFERENDUM LANGUAGE AND AN EFFECTIVE DATE OF LEVY OF THE SURTAX; PROVIDING FOR NOTICE OF APPROVAL AND FILING WITH THE DEPARTMENT OF REVENUE.

WHEREAS, § 212.055(7), *Florida Statutes*, authorizes that the governing body in each county that has a population of less than 800,000 residents may levy, pursuant to an ordinance conditioned to take effect only upon approval by a majority vote of the electors of the county voting in a referendum, a discretionary sales surtax at a rate that may not exceed 1 percent; and

WHEREAS, Leon County does meet the criteria established by § 212.055(7), *Florida Statutes*, to levy a discretionary sales surtax; and

WHEREAS, the spiraling cost of health care delivery has severely strained the fiscal resources available to the Board of County Commissioners to fund such care for the indigent residents of the County; and

WHEREAS, the existing revenue sources of Leon County are inadequate to fund the increasing demand for health care to indigent and medically poor Leon County residents and to maintain County services and functions at existing levels without an inordinate increase in ad valorem taxes; and

WHEREAS, the adoption of a discretionary sales tax pursuant to § 212.055(7), *Florida Statutes* will provide the necessary increase in funding to adequately provide comprehensive health care services; and

WHEREAS, the Leon County Board of County Commissioners approved the "Alternative Health Care Delivery Model for Leon County's Uninsured Initiative", prepared by Mercer ("Mercer Plan"); and

WHEREAS, the Mercer Plan for the Leon County Comprehensive Health Care Plan is designed to provide health care services for the indigent and medically poor residents of the Leon County.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF LEON COUNTY, FLORIDA, that:

SECTION 1. Leon County Health Care Ordinance.

This Ordinance shall be known and may be cited as the "Leon County Indigent Health Care Ordinance."

SECTION 2. Levy and Imposition of Voter-Approved Indigent Health Care Surtax on Sales, Uses, and Other Transactions; Limitations, Administration, and Collection.

(a) Levy. There shall be levied and imposed throughout the incorporated and unincorporated areas of Leon County, Florida, during the period January 1, 2007 through December 31, 2021, a discretionary additional tax on all taxable transactions occurring in Leon County, Florida which are subject to the state tax imposed on transactions by Chapter 212, *Florida Statutes*. This tax shall be at the rate of ½ cent for each \$1.00 of the sales price or actual value received and for each fractional part of \$1.00 of the sales price or actual value received. This tax shall be levied and imposed in accordance with Section 212.055, *Florida Statutes*.

(b) Limitations, Administration and Collection. The Department of Revenue shall administer, collect, and enforce the tax authorized herein pursuant to the same procedures used in the administration, collection, and enforcement of the general state sales tax imposed under the provisions of Chapter 212, *Florida Statutes*.

The person receiving the consideration for such sale, use or transaction shall receive, account for, and remit the tax to the Florida Department of Revenue at the time and in the manner provided for persons who collect and remit taxes pursuant to Chapter 212, *Florida Statutes*. The same duties and privileges imposed by Chapter 212, *Florida Statutes*, upon dealers in tangible property, respecting the remission of returns, the keeping of books, records and accounts and compliance with the rules of the Florida Department of Revenue in the administration of Chapter 212, *Florida Statutes*, shall apply to and be binding upon all persons who are subject to the provisions of this Ordinance; provided, however, the Florida Department of Revenue may authorize a quarterly return and payment.

In the case of written contracts signed prior to January 1, 2007, for the construction of improvements to real property or for remodeling of existing

structures, the contractor responsible for the performance of the contract shall pay any additional tax levied herein. However, the contractor may apply for one refund of any such additional tax paid on materials necessary for the completion of such contract. Any application for refund shall be made in accordance with and in the manner set out in Section 212.054(2)(b)3, *Florida Statutes* and approved by the Florida Department of Revenue.

SECTION 3. Plan for Providing Health Care Services.

(a) The Leon County Indigent Health Care Plan created hereby is designed to provide a broad range of health care services to indigent and medically poor Leon County residents. Health care services will be provided with a focus on a broad range of primary and preventative health care services, as well as hospital care. Patient continuity of care shall be emphasized in the most cost effective setting taking into consideration a high quality of care and geographic access. Where appropriate and without limitation, health services will be provided by physicians, clinics, community hospitals, mental health centers, and alternative delivery sites, as well as at least one regional referral hospital. The Plan while recognizing that hospitals render a disproportionate health care, will provide other incentives to promote the delivery of charity care, and require cost containment measures, including but not limited to, case management.

(b) The Plan is designed to create an innovative health care program that provides cost-effective alternatives to traditional methods of service delivery and funding, which may include but not be limited to, a Three Share Model that targets a working, uninsured population.

(c) Agreements negotiated between the County and providers shall include reimbursement methodologies that take into account the cost of services rendered to eligible patients.

SECTION 4. Indigent Health Care Trust Fund.

(a) Creation. Pursuant to Section 212.055(7)(e), *Florida Statutes*, the Clerk of the Circuit Court in and for Leon County, Florida shall create and establish an Indigent Health Care Trust Fund.

(b) Custodian. The Clerk of the Circuit Court in and for Leon County, Florida shall be the ex officio custodian of the funds deposited in the Indigent Health Care Trust Fund. Monies collected pursuant to this subsection remain the property of the state and thereafter shall be distributed by the Department of Revenue on a regular and periodic basis to the Clerk of the Circuit Court as ex officio custodian of the funds of Leon County. The Clerk of the Circuit Court shall: Maintain the monies in an Indigent Health Care Trust Fund; invest any funds held on deposit in the trust fund pursuant to general law; and, in accordance with the Leon County Indigent Health Care Plan for providing health care services to

Qualified Residents, disburse the funds, including any interest earned, to any provider of health care services, upon directive from Leon County.

(c) Purpose. The purpose of the Indigent Health Care Trust Fund is to receive, maintain and disburse monies received from the Florida Department of Revenue as a result of the tax imposed herein.

SECTION 5. Use of Proceeds.

(a) Generally. The proceeds of the tax imposed herein and any interest thereon, shall be expended by Leon County, Florida to provide health care services to Qualified Residents. For the purpose of this Ordinance, the term "Qualified Resident" means residents of the Leon County who maintain their primary residence and domicile within the geographic confines of Leon County, Florida. In evaluating the residence of an individual otherwise qualified for this program, the Board of County Commissioners of Leon County, Florida shall establish residency criteria designed to ensure that all recipients of assistance under this program are bona fide permanent residents of and are domiciled in Leon County, Florida. For purposes of the expenditure of the tax imposed herein, a "Qualified Resident" must be:

Qualified as an indigent person, and certified as such by Leon County; or Certified by Leon County as meeting the definition of the medically poor, defined as persons having insufficient income, resources, and assets to provide the needed medical care without using resources required to meet basic needs for shelter, food, clothing, and personal expenses; not being eligible for any other state or federal program or having medical needs that are not covered by any such program; or having insufficient third-party insurance coverage; or participating in innovative, cost-effective programs approved by Leon County.

SECTION 6. Requirement of Referendum.

This Ordinance, and the tax levied herein, are conditioned upon, and shall take effect only after, approval by a majority vote of the electors of Leon County voting in a referendum.

SECTION 7. Resolution of Conflict of Laws.

In all instances where Florida Law (as evidenced by the Florida Department of Revenue Rules and Regulations, Florida Statutes, applicable case law or otherwise) mandates standards or requirements that conflict with the provisions of this Ordinance (including the provisions of the Plan) said law shall govern and the same shall be incorporated by this reference as part of this Ordinance. For purposes of this Ordinance, a conflict shall exist where, upon a particular matter, Florida law addresses the matter in a manner that is more strict than the provisions of this Ordinance, or where a matter is addressed by Florida Law that

is not addressed by this Ordinance. In those two (2) situations, Florida Law shall control. In situations where this Ordinance addresses a matter in a manner that is more strict than that of Florida Law, the provisions of this Ordinance shall control.

SECTION 8. Severability and Applicability.

If any portion of this Ordinance is for any reason held or declared to be unconstitutional, inoperative or void, such holding shall not affect the remainder of this Ordinance. If this Ordinance or any provision thereof shall be held to be inapplicable to any person, property or circumstance, such holding shall not affect its applicability to any other person, property or circumstance.

SECTION 9. Effective Date of Ordinance.

This Ordinance shall become effective upon the filing of the Ordinance with the Florida Department of State.

SECTION 10. Referendum Language; Effective Date of Indigent Care Surtax.

This Ordinance is conditioned to take effect only upon approval by a majority vote of the electors of Leon County voting in a referendum. The ballot for such referendum shall contain the following title, statement, and questions as required by Section 101.161, *Florida Statutes*:

**COUNTYWIDE INDIGENT CARE ONE-HALF
CENT SALES SURTAX FOR HEALTH CARE SERVICES TO
QUALIFIED RESIDENTS**

Shall a 0.5 (1/2) cent sales surtax be levied for 15 years starting on January 1, 2007, and ending on December 31, 2021, to provide a broad range of health care services to indigent and medically poor Leon County residents by creating a Comprehensive Health care Program offering innovative care and health education services.

☐ For the one-half cent sales tax
☐ Against the one-half cent sales tax

Upon approval by a majority vote of the electors of Leon County, the tax levied herein shall take effect on January 1, 2007.

SECTION 11. Notice of Approval and Filing with the Department of Revenue.

The Board of County Commissioners shall notify the Florida Department of Revenue, within ten (10) days after final adoption by Referendum of the surtax and no later than November 16, prior to the effective date of the imposition of the

tax, the time period during which it will be in effect, and the tax rate to be imposed. Such notice shall include a certified copy of this Ordinance along with such other information as may be required by the Department of Revenue by rule.

DULY ADOPTED in regular session, this 13th day of June, 2006.

LEON COUNTY, FLORIDA

BY: Bill Proctor - Vice Chairman
Bill Proctor, Chairman
Board of County Commissioners



ATTEST:
Bob Inzer, Clerk of the Court
Leon County, Florida

BY: Christine Francis
for Bob Inzer

Approved as to Form:
Leon County Attorney's Office

By: Herbert W.A. Thiele
Herbert W.A. Thiele, Esq.
County Attorney